

MS 721 GIFTS AND CONTRIBUTIONS TO THE PEACE CORPS

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Issuance Memo

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ATTACHMENTS

Attachment A Report of Payment of Travel Expenses by Non-Federal Sources

1.0 PURPOSE

This manual section sets out Peace Corps policy and procedures for the acceptance and use of gifts by the Peace Corps.

2.0 APPLICABILITY

This manual section does not apply to gifts made to Peace Corps employees for their personal use (see MS 641, Employee Standards of Conduct), host country contributions to Peace Corps programs (see MS 722, Host Country Contributions), or to gifts made directly to Volunteers for their personal use. (Also see, the Peace Corps Volunteer Handbook, which provides guidance to Volunteers about making gifts to communities or individuals.)

3.0 AUTHORITY

Section 10(a)(4) of the Peace Corps Act authorizes the Director to accept gifts of voluntary service, money, or property, for use in furtherance of the purposes of the Peace Corps Act. This authority has been delegated to the Office of Private Sector Initiatives (OPSI) as specified in this manual section (see also MS 720, Peace Corps Partnership Program and MS 722, Host Country Contributions).

4.0 DEFINITIONS

4.1 “Gift” means a gratuitous transfer of property, money, or voluntary services.

4.2 “Unconditional Gift” means a gift offered with no limitations upon its ownership, use, or disposition. Unconditional gifts are made to the Peace Corps for use in furtherance of the purposes of the Peace Corps Act without specification as to purpose or manner of use.

4.3 “Gift of Voluntary Services” means a gift of an individual’s personal services.

4.4 “Gift-In-Kind” means any gift including real, personal, mixed, tangible, or intangible property. This includes services of the kind often procured by Government contract as non-personal services, such as films, reports, studies, and transportation. It does not mean gifts of money or voluntary services.

4.5 “Tangible Personal Property” means property which has intrinsic value, such as books, subscriptions, medical supply samples, supplies, materials, equipment, and similar items.

4.6 “Intangible Personal Property” means property the value of which is not limited to the value of the item itself, such as checks, money orders, drafts, bonds, shares of stock, and similar items.

4.7 “Real Property” means property consisting of land and anything permanently attached to the land (e.g., buildings) or grown on the land.

5.0 POLICIES

5.1 Gifts to the Peace Corps may be accepted upon determination that the acceptance is consistent with the criteria set out in this manual section.

5.2 Section 170(c)(1) of the Internal Revenue Code (26 U.S.C. 170(c) (1)) defines charitable contributions as gifts to or for the use of the United States if made for “exclusively public purposes.” Under this statute, gifts made directly to the Peace Corps for exclusively public purposes qualify as charitable contributions. Prospective donors may be advised that gifts to the Peace Corps accepted in accordance with the requirements of this manual section will be tax-deductible. The deduction applies only to gifts made directly to the Peace Corps. Gifts to contractors, Peace Corps Volunteers, local communities, or host country agencies, for example, are not tax-deductible.

5.3 The following officials are authorized to approve, accept, or reject offers of gifts to Peace Corps:

- (a) The Chief of Staff/Chief of Operations is authorized to approve donated travel authorized under Section 10 (b)(4) of the Peace Corps Act. However, all donation of travel expenses must first be cleared by the Designated Agency Ethics Official (DAEO) and must be reported to the Director of OPSI.
- (b) The Associate Director for Management is authorized to accept or reject on behalf of the Peace Corps any offers of conditional and unconditional voluntary services of individuals.
- (c) Associate Directors, Staff Office Heads, and Country Directors (CD) are authorized to accept unconditional offers of voluntary personal services within their areas of responsibility.
- (d) The Director of OPSI is authorized to accept or reject on behalf of Peace Corps offers of:
 - (i) Unconditional or conditional gifts of money or intangible personal property not in excess of \$10,000; and
 - (ii) Unconditional or conditional gifts of tangible personal property with a market value not in excess of \$10,000. (If additional conditions are placed on the acceptance of the gift, the Director of OPSI must obtain, prior to acceptance of the gift, a written determination from the Office of the General Counsel (OGC) that carrying out the conditions would be in furtherance of the purposes of the Peace Corps Act.)
- (e) A CD is authorized to accept or reject on behalf of Peace Corps any offer of:
 - (i) Unconditional gifts of money or intangible personal property, not in excess of \$5,000 in value;
 - (ii) Conditional (if the only restriction by donor is use in the country) or unconditional gifts of tangible personal property with a market value not in excess of \$5,000; and
 - (iii) Conditional (if the only restriction by donor is use in the country) gifts of money or intangible personal property, not in excess of \$5,000.

5.4 The Peace Corps shall not assume responsibility for payment of any expenses incurred with respect to an offered gift before it is accepted, whether such gift is in the possession of the donor or of the Peace Corps under a temporary custody arrangement.

5.5 The Peace Corps shall not accept custody of a gift between the time it is offered and the time it is accepted unless prior written clearance is obtained from OGC. If temporary custody is authorized by the OGC and approved by a person authorized to accept or reject the gift, the donor will be informed that the Peace Corps cannot assume responsibility for any loss of or damage to the property before it is accepted by an authorized person.

5.6 The Peace Corps cannot accept any offer of voluntary services for performance of functions which must be performed by government employees, such as policy-making, supervising, or handling funds or classified material.

5.7 All donations received by Peace Corps will be accounted for under the appropriate OPSI program sponsor codes.

6.0 PROCEDURES

6.1 Criteria for Gift Acceptance

A gift may be accepted by an authorized official upon determination that the following criteria are satisfied, if applicable:

- (a) There is a definite use to which the gift can be applied in furtherance of the purposes of the Peace Corps Act;
- (b) The acceptance and use of the gift is economically advantageous to the Peace Corps, taking into consideration foreseeable expenditures such as storage, transportation, and maintenance;
- (c) Acceptance of the gift will not involve expenditure or use of appropriated funds in excess of amounts authorized through the administrative budget advice system. (See Manual Section 704, Administrative Control of Funds);
- (d) The special considerations for acceptance of voluntary services are satisfied. (See Section 6.5 of this manual section);
- (e) If the donor is a federal government contractor or subcontractor, the donor must state in writing that the cost of the gift will not be charged directly or indirectly as a cost in any Government prime contract or subcontract;
- (f) If the donor is, or operates, a commercial firm and the gift is of an item sold commercially by the firm, the donor and OPSI have agreed that no advertising reference will be made of the gift of the item to the Peace Corps or to the use of the item by the Peace Corps;
- (g) Acceptance of the gift will neither raise a question of impropriety nor conflict of interest; and
- (h) Acceptance of the gift will not put any financial liability directly or indirectly upon the Peace Corps.

6.2 Procedures for Acceptance or Rejection of Gifts

6.2.1 When a gift is received by a person who is authorized to accept a gift, that person will confirm receipt of the gift in writing to the donor. The confirmation should include:

- (a) A description of the gift;
- (b) A statement that the gift has been received; and
- (c) An appropriate expression of appreciation for the gift.

6.2.2 Upon the determination that any of the applicable criteria for acceptance (see Section 6.1 of this manual section) are not satisfied, a gift will be rejected orally or by letter from the authorized person to the donor, stating the reasons why the gift may not be accepted by the Peace Corps.

6.2.3 Persons in the Peace Corps who receive an offer of a gift that they are not authorized to accept or reject will refer it immediately to the authorized official.

6.2.4 Donations which are accepted by OPSI will be recorded by OPSI in the applicable Peace Corps electronic recordkeeping system and deposited in the Treasury Department Trust Fund Account (hereinafter "Trust Fund Account"). OPBF will process any payment from the Trust Fund Account and reconcile such account in accordance with OPBF's internal procedures

6.3 Use of Gifts

6.3.1 The amounts available in the Trust Fund Account may be spent in furtherance of the purposes of the Peace Corps Act. The Peace Corps Director or the Director of OPSI determines the purposes for which the gifts and contributions will be used. The Director of OPSI may authorize use of funds in the Trust Fund Account, except for the funds in the Director's Fund whose use must be determined and authorized by the Peace Corps Director.

6.3.2 All unobligated amounts in the Trust Fund Account remain available for obligation without regard to fiscal year in which gifts were received.

6.4 Special Procedures

6.4.1 Donated Travel

- (a) Once a PC employee receives an offer of donated travel, the employee must submit the Report of Payment of Travel Expenses by Non-Federal Sources (Attachment A) to the Designated Agency Ethics Official (DAEO) for review and approval.
- (b) If the donated travel is not approved, the DAEO informs the employee, who in turn shall inform the donor.
- (c) If the donated travel is approved, the DAEO signs the Report of Payment of Travel Expenses by Non-Federal Sources and returns the form to the employee. The employee's office will then complete the appropriate Travel Authorization which must be approved by the employee's supervisor.
- (d) The employee submits the Travel Authorization and the approved Report of Payment of Travel Expenses by Non-Federal Sources to a Fiscal Specialist in OPSI.
- (e) If the donated travel is an in-kind donation, the Fiscal Specialist records the donated travel in the appropriate Peace Corps system.
- (f) If the donated travel is a monetary donation, the employee submits a copy of his or her travel voucher to the Fiscal Specialist in order to be reimbursed by OPBF. Upon receipt of the monetary donation, the Fiscal Specialist forwards the check and the travel voucher to OPBF for processing. After OPBF processes the travel voucher to reconcile the travel expenses to the donated travel, the employee may be reimbursed. The Fiscal Specialist then records the donated travel in the appropriate Peace Corps system.
- (g) The Fiscal Specialist forwards the Donated Travel report to the DAEO twice a year in May and November.

6.4.2 Gifts-in-Kind

- (a) Tangible Personal Property
 - (i) Headquarters: Upon acceptance of a tangible gift by the Director of OPSI or the Peace Corps Director, the Fiscal Specialist records the donation in the Peace Corps system and sends a "thank you" letter to the donor. Upon denial of the gift, the Director of OPSI will send a letter to the donor indicating the reason for refusal.
 - (ii) Post: Upon acceptance of a tangible gift by the Country Director and the Director of OPSI or the Peace Corps Director, an in-kind donation agreement is signed by the donor and either the Director of OPSI, the Peace Corps Director, or the CD. Once the agreement has been signed, the Fiscal Specialist enters the donor contact and gift information into the appropriate Peace

Corps recordkeeping system upon confirmation of receipt of the donation by post. A “thank You” letter is then sent to the donor by OPSI. Upon denial of the gift, the Director of OPSI will send a letter to the donor indicating the reason for refusal.

- (iii) Multiple posts: Upon acceptance of a tangible gift by the Country Directors and the Director of OPSI or the Peace Corps Director, an agreement will be developed on a case by case basis. Once the agreement has been signed, the Fiscal Specialist enters the donor information into the Peace Corps recordkeeping system upon confirmation of receipt of the gift by post. A “thank you” letter is then sent to the donor by OPSI. Upon denial of the gift, the Director of OPSI will send a letter to the donor indicating the reason for refusal.

(b) Intangible Personal Property: Stocks

If a stock donation is accepted, the donor gives the donation by wire or mail. The Fiscal Specialist will enter the donor information into the appropriate recordkeeping systems with a note stating that the stock is anticipated at a later date.

If the donor prefers to send the stock by wire, the Fiscal Specialist provides brokerage information to the donor. Then, the Fiscal Specialist shall notify the Bureau of Public Debt of the Department of the Treasury of the incoming wired stocks. The Bureau of Public Debt notifies the Fiscal Specialist of receipt of the wired stocks. The Fiscal Specialist then sends a letter to the Bureau of Public Debt requesting liquidation of the stocks.

If OPSI receives the donation of stocks by mail, the Fiscal Specialist sends the stocks to the Bureau of Public Debt, accompanied by a letter requesting liquidation of the stocks.

Once the stocks are liquidated, the Bureau of Public Debt faxes a letter noting the amount and date of deposit into the Peace Corps Trust Fund Account. The Fiscal Specialist notifies the Peace Corps Collection Officer of the incoming donation. The Collection Officer notifies the Fiscal Specialist that the wire has been received and informs him or her of the amount received.

(c) Real Property

The offer of a gift of real property is an offer to transfer title to the Peace Corps. Acceptance of the gift by the Director of the Peace Corps is contingent upon the delivery to the Peace Corps of a deed transferring valid and clear title of the property to the Peace Corps, as determined by the Office of the General Counsel. Transfer of title is effected only when, coincident with or subsequent to acceptance of the gift by the Director of the Peace Corps, the deed is delivered to the Peace Corps.

6.5 Special Criteria for Acceptance of Voluntary Services

Before accepting an offer of voluntary services, the following must be considered:

- (a) The potential disruption if such services are unexpectedly discontinued;
- (b) The cost of any investigations required for security clearance purposes, if the performance of the services requires access to classified information or otherwise necessitates a security clearance pursuant to MS 614, Personnel Security Program; and
- (c) The likelihood of Peace Corps liability for any injury inflicted or sustained in the course of such service.

6.6 Procedures for Acceptance of Voluntary Services

An employee who receives an offer of a gift of voluntary services will immediately forward the offer to the Associate Director of Management, with the following information:

- (a) A complete description of the nature and duration of the services to be performed;
- (b) The name and title of the prospective supervisor;
- (c) Completed and signed copies of Standard Form 85, Data for Non-Sensitive or Non-Critical Sensitive Positions, and Standard Form 87, U.S. Civil Service Fingerprint Chart (3 sets of original prints), when access to Confidential or Secret Information is required; or Completed Standard Form 86, Security Investigation Data for Sensitive Positions, and Standard Form 87, U.S. Civil Service Fingerprint Chart (3 sets of original prints) when access to Top Secret information is required; and
- (d) The Country Director's acceptance or, in the case of an offer the Country Director is not authorized to act on, his or her recommendation in light of the criteria set forth in this manual section.